

Department of Environmental Services City Hall Room 300B, 30 Church Street Rochester, New York 14614-1290 www.cityofrochester.gov



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NUMBER 12.2

FLEET MANAGEMENT POLICY / PROCEDURE

SUBJECT: Customers' Perception of Repair Costs

APPROVED:

Michael Quattrone, Fleet Manager

PURPOSE: Develop a communication strategy to overcome customers' perception

that repair and maintenance costs are too high

PROCEDURE: On an annual basis the Fleet Manager meets with each customer to

develop a Service Level Agreement that identifies each customer's

unique needs and expectations. At this time the Fleet Manager discusses the division's operating constraints including day-to-day working and capital expenses. This opportunity is also used to explain our standard

operating procedures and the breadth of our services, including the PMA

65 point preventative maintenance task list, the PMC 67 point preventative maintenance task list and to explain that our goals are to provide a safe and cost effective fleet while minimizing downtime. As well as letting the customer know that the primary goals of the PM

program are to:

1) Maximize fleet unit up-time;

- 2) Reduce operating costs by decreasing the number of road calls and the high cost of unpredicted maintenance;
- 3) Ensure operational and operator safety; and
- 4) Increase resale value.

Ultimately, we want the customers to understand that although our PMs may take a little longer we are exceeding industry standards and should not be compared to the oil change operation down the street that is only changing oil and topping off fluids.

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At the start of the fiscal year, the Director of Operations issues a memo which outlines the division's service rate structure for the coming fiscal year. This memo explains the fully-burdened hourly labor rate for both automotive and heavy technicians, the parts, vendor services and fuel mark-ups, the work order fee covering contract administration, the warranty recovery and specification development services fee, and the surcharge to cover expense associated with retiree medical benefits. An explanation is given for the year-to-year changes and a chart is included that shows these items.

PREPARED BY: Michael Quattrone, Fleet Manager

DATE: October 5, 2010